

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

LINCOLN ROAD PRODUCTIONS

Plaintiff

v.

THE REIGN ENTERTAINMENT GROUP;
CALVIN DARDEN; ABC INSURANCE
COMPANY

Defendants

CIVIL NO.:

BREACH OF CONTRACT,
COLLECTION OF MONIES,
NEGLIGENCE, DAMAGES

JURY TRIAL REQUESTED

COMPLAINT

TO THE HONORABLE COURT:

COMES NOW Plaintiff, Lincoln Road Productions, Inc. ("Lincoln") through its undersigned counsel and very respectfully alleges, states and prays as follows:

I. NATURE OF THE ACTION

This is an action for breach of contract arising from defendants infringement of an Agreement entered into by the parties for the organization of a Basketball Exhibition game featuring numerous All Star players from the National Basketball Association ("NBA"). Plaintiff seeks collection of monies and redress for the damages suffered as result of defendants' breach of contract, negligence, acts and omissions.

II. THE PARTIES

1. Lincoln is a corporation organized under the laws of the Commonwealth of Puerto Rico, with its principal place of business located at Ave. Arterial Hostos, San Juan, Puerto Rico 00918. Lincoln is specialized, among others matters, in producing and promoting large scale entertainment events.
2. The Reign Entertainment Group is a corporation organized under the laws of the State of New York, dedicated among others, to the production of entertainment events.
3. Calvin Darden ("Darden") is a natural person residing in the State of New York. Mr. Darden is President of Reign Entertainment Group and personally guaranteed and confirmed the attendance of the NBA All-Star players and that the Basketball Exhibition Game would be held in San Juan, PR on October 30, 2011.
4. ABC Insurance Company is a fictitiously named insurance company that issued policies on behalf of Reign and Darden. Its name is to be later replaced by its actual name which may be known through further discovery in this litigation.

III. JURISDICTION AND VENUE

4. This Honorable Court has jurisdiction over this case pursuant to 28 U.S.C. § 1332, based upon complete diversity of citizenship as Plaintiff is a Puerto Rico corporation with its corporate office and principal place of business located at San Juan, PR, while all other Defendants are either individuals who are citizens and domiciles of a State other than the Commonwealth of Puerto Rico or are businesses incorporated and operating their principal place of business in a State other than the Commonwealth of Puerto Rico. Also, the matter of controversy exceeds, exclusive of interest and costs, the sum of seventy five thousand dollars (\$75,000.00).

5. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(a), inasmuch as the events and omissions that give rise to the instant Complaint occurred in this Judicial District. Thus, Defendants conduct results in actionable claims within this United States District Court, for the District of Puerto Rico.

IV. STATEMENT OF FACTS

6. On or about October 27, 2011, The Reign Entertainment Group ("Reign") entered into a Promoter's Agreement with Lincoln for the organization of a Basketball Exhibition game featuring numerous All-Star players from the National Basketball Association ("NBA") to be held in San Juan, Puerto Rico on October 30, 2011.

7. Pursuant to the Agreement, Reign was to engage the services of various NBA All-Star players to participate in an Exhibition game to be held in San Juan, Puerto Rico on October 30, 2011.

8. Reign further agreed that all NBA All-Star players would arrive at the Venue (i.e., Coliseo de Puerto Rico) on time and that they would play in their best capacity.

9. Lincoln on the other hand was to obtain all local permits, licenses and permission to produce and execute the Basketball Exhibition game.

10. Lincoln was also obligated to advance payment of the following: Venue rental, insurances, transportation, security, press conferences.

11. These direct costs exceeded the amount of \$80,000.00, without including the time dedicated by representatives of Lincoln and others.

12. Reign and Darden were obligated to reimburse Lincoln all these costs.

13. After the parties executed the Agreement there were various public articles and reports that mentioned a possible cancellation of the Exhibition game.

14. Lincoln became concerned that the Exhibition game could be cancelled, with the resulting damages that would cause to its outstanding reputation.

15. As a result, Lincoln proceeded to contact Darden to verify the accuracy and veracity of the articles and reports.

16. Darden categorically dismissed all reports and rumors regarding the cancellation of the Exhibition game and insisted that Lincoln comply with the Agreement.

17. Upon reconfirmation by Darden that the Exhibition game was to be held as agreed, Lincoln proceeded to act according to its obligations and began the publicity of the event and the selling of the tickets for the same.

18. As soon as the tickets went on sale, more than 9,000 tickets were sold.

19. Despite its obligations under the Agreement and the specific personal assurances and guarantees by Darden that everything was in order and that the Exhibition was to be held at the agreed upon place and time, Reign and Darden failed to perform their specific obligations and proceeded to cancel the Exhibition game.

20. Reign and Darden's failure to comply with the Agreement resulted in extensive financial losses for Lincoln, including but not limited to, severe damage to its longstanding goodwill, its reputation and impairment in its ability to secure sponsorship for future events.

21. Reign and Darden are responsible for said losses and damages.

FIRST CAUSE OF ACTION - BREACH OF CONTRACT

22. Lincoln repeats and reincorporates each and every preceding allegation as if set forth at length herein.

23. Reign and Darden entered into an Agreement with Lincoln to organize and accomplish a basketball Exhibition game which included numerous NBA All-Star players.

24. As part of the Agreement, Reign and Darden were to engage the services of the NBA All-Star players to participate in the Exhibition game.

25. As agreed by Reign and Darden, the Exhibition game featuring the NBA All-Star was to be held specifically at the Coliseo de Puerto Rico on October 30, 2011.

26. Reign and Darden breach the Agreement by failing to secure the engagement of the NBA All-Star players and by failing to appear on the Coliseo de Puerto Rico on October 30, 2011.

27. As a direct result of Reign and Darden's breach of contract, Lincoln lost more than \$80,000.00 plus future lost business and permanent damages to its longstanding reputation as a sound, reliable and trustworthy entity.

SECOND CAUSE OF ACTION - NEGLIGENCE

28. Lincoln repeats and reincorporates each and every preceding allegation as if set forth at length herein.

29. Reign and Darden, through their actions and omissions caused damage to Lincoln through fault and negligence in violation of 31 L.P.R.A. §5141.

30. Reign and Darden owed a duty to Lincoln to fulfill their obligations under the Agreement with reasonable care and in a manner that would not cause losses and damages.

31. Specifically, Reign and Darden were to secure the engagement of the NBA All-Star players and their appearance to the Exhibition game to be held in San Juan, Puerto Rico on October 30, 2011.

32. Reign and Darden failed to take reasonable care in their obligations.

33. Reign and Darden's actions, negligence and omissions were the proximate cause of the cancellation of the Exhibition game.

34. As a direct result of Reign and Darden's breach of their duties, Lincoln has suffered great economic losses and damages.

35. It was foreseeable to Reign and Darden that their failure to duly perform their obligations would cause financial losses, damages and harm upon Lincoln.

36. These losses are calculated in an amount of no less than \$500,000.00.

THIRD CAUSE OF ACTION - DAMAGES

37. Lincoln repeats and reincorporates each and every preceding allegation as if set forth at length herein.

38. As a direct and proximate result of Reign and Darden's negligence, acts and omissions, Lincoln has suffered extensive financial losses, including but not limited to, severe damage to its longstanding goodwill, its reputation and impairment in its ability to secure sponsorship for future events.

39. Lincoln is entitled to receive just, full and fair compensation for all the aforementioned losses and damages caused solely by Reign and Darden's actions and omissions, in an amount calculated at no less than \$1,000,000.00.

FOURH CAUSE OF ACTION

40. ABC Insurance Company had issued a performance, liability or otherwise applicable insurance to Reign and Darden.

41. ABC Insurance is jointly and severally liable for the losses and damages caused by the insured co-defendants.

TRIAL BY JURY DEMANDED

42. Lincoln demands trial by jury on all counts of the Complaint.

WHEREFORE, it is respectfully requested from this Honorable Court to award Judgment in favor of Lincoln against all co-defendants, jointly and severally, in an amount of no less than \$1,500,000.00, for the losses, harm and damages they have

caused. It is further respectfully requested for the Court to award Lincoln with interest, costs, attorney's fees and any other relief the Court may deem just and proper under the law.

In San Juan, Puerto Rico, this 26 day of October 2012.

s/William A. Graffam
WILLIAM A. GRAFFAM
USDC-PR # 123113

Juan Carlos Deliz
JUAN CARLOS DELIZ
USCD-PR # 224702

JIMENEZ, GRAFFAM & LAUSELL
PO BOX 366104
SAN JUAN, PR 00936-6104
TEL: (787) 767-1030
FAX: (787) 751-4068
e-mail: usdccases@jgl.com
wgraffam@jgl.com
jcdeliz@jgl.com